

April 2, 2008

Dear Elected/Appointed Governmental Official:

I am a small rural town Bank President and for the past three years my institution was visited by the FDIC & Montana State Examination Crews. We were all alarmed about the mortgage practices of the secondary market. I would commonly joke that if I could get my dog, Pepper, a social security number, that I could get her a mortgage loan. We'd laugh, but we all knew that it was very close to the truth.

A real estate melt down is nothing new to our country. We've seen it before. I just don't understand how you, our Government, did not realize the ever present danger that was looming over the mortgage industry.

I am concern that you will MAKE MORE REGULATIONS believing that stricter standards will prevent the problem for reoccurring. I disagree with this practice.

You surely must realize that another mountain of paper work added to the already thickly stacked pile of mortgage loan documents, does not resolve the problem, as nobody reads the existing mound of loan documentation this is required to close a residential mortgage loan.

Of course, our greedy "Corporate America" will comply, add the newly created regulatory document to the already burdened regulatory mortgage lending industry and in time the consumer/financial world will be fleeced again. Then, more regulations will be enacted. Around and around we go.

My suggestion, penalize the wrong doers and set an example that others will fear.

Now, I have some questions.

With all of the Governmental Field Examination Crews' reports about the dangerously loose mortgage lending practices, why did our Upper Government Regulatory Supervisors ignore the alarming data submitted by their Field Agents?

Why did our Elected Governmental Officials overlook the obvious signs of a potential security investment melt down due to risky underwriting practices on securitized mortgage loans that were being packaged and sold throughout the financial world?

Please advise?

Signed


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Cc Tester, Rehberg, Baucus & Johnson Fed Reserve